

Rebecca W. Martin

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April 11, 2014

Ms. Jocelyn Boyd  
Chief Clerk and Administrator  
South Carolina Public Service Commission  
Synergy Business Park, The Saluda Building  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: Application of Lockhart Power Company for General Rate Increase  
In Electric Rates  
Docket No. 2013-378-E

Dear Ms. Boyd:

As required by the South Carolina Public Service Commission, enclosed is proof of publication of Notice of Filing and Hearing from the *Herald Journal* regarding filing of the Application for General Rate Increase by Lockhart Power Company in the above-referenced matter. This Notice was published on Wednesday, April 9, 2014 in the *Herald Journal* in Spartanburg, South Carolina.

Thank you for your assistance.

Sincerely,

McNAIR LAW FIRM, P.A.



Rebecca W. Martin

RWM

Enclosure

McNAIR LAW FIRM, P.A.  
1221 Main Street  
Suite 1600  
Columbia, SC 29201

Mailing Address  
Post Office Box 11390  
Columbia, SC 29211

mcnair.net

Application of Lockhart Power  
Company for General Increase  
in Electric Rates

Pursuant to S. C. Code Ann. §§58-27-860 and 58-27-870 (Supp. 2013), Lockhart Power Company (Lockhart or the Company) filed an application for a general increase in its electric rates with the Public Service Commission of South Carolina (the Commission). Lockhart is a public utility operating in South Carolina, where it is engaged in the generation, transmission, distribution and sale of electricity to the public for compensation. According to the Application, Lockhart currently charges rates approved by the Commission as allowed by Order No. 2011-564 (Docket No. 2010-181-E). The Application states that Lockhart has been making investments in its generation, transmission, and distribution systems. Lockhart's return on rate base for its retail operations as adjusted is 4.07% for the twelve months ended December 31, 2012 - the Test Year. Further, the Application states that Lockhart has recently made three significant investments in generation, as outlined on page two of the Application, which will result in a further decrease in its return on rate base.

According to the Application, Lockhart's proposed rates will produce a rate of return on retail rate base of 12.5% during the Test Year after the appropriate pro forma adjustments have been made. Additionally, the Application reveals that the proposed rates will produce an overall increase in retail revenues of 6.77% or a \$1,203,215 annual increase over the present test year retail revenue. According to the Company, Lockhart has designed its rates in a way that will move most customer classes toward the average rate of return, while mitigating the impact of the increase on any individual class of customers. According to Exhibit A4, the proposed rate revenue average increase to the residential class is 12.9%; commercial class is 11.43%; street lighting is 8.89%; and outdoor lighting is 11.32%. Amount and percentage increases vary by rate schedules within these classes, and individual customer bill increases may also vary depending upon actual usage pattern and amount of consumption. In addition, Lockhart intends to collect from its retail customers during the first month in which the proposed rates are in effect the unbilled revenue resulting from Lockhart's Purchased Power Adjustment Clause, the mechanics of which create a one-month delay in its collection, according to the testimony of Paul W. Inman which was filed with the Company's Application.

A copy of the company's application can be found on the Commission's website at [www.psc.sc.gov](http://www.psc.sc.gov) under Docket No. 2013-378-E. Additionally, a copy of the application is available from the corporate office of M. John Bowen, Jr., Esquire and Margaret M. Fox, Esquire, McNair Law Firm P.A., P. O. Box 11390, Columbia, South Carolina 29211.

**PLEASE TAKE NOTICE** that a hearing on the above matter has been scheduled to begin on **Tuesday, July 29, 2014, at 10:00 a.m.**, before the Commission in the Commission's Hearing Room at 101 Executive Center Drive,

SPARTANBURG

# Herald-Journal

189 West Main Street, Spartanburg, SC 29306  
864-562-7305

## STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG

Personally appeared before me, a notary public in and for the State and County aforesaid, Annette Haynie, who having been duly sworn according to law, deposes and says that she is a Representative of the Spartanburg Herald-Journal, a newspaper published in Spartanburg, South Carolina, and that the attached legal ad was published for 1 time(s) in the following issues:

4/9

Annette Haynie  
Annette Haynie

Sworn to and subscribed before me

This 9<sup>th</sup> day of April, 2014

Alice Annas  
Alice Annas

Notary Public for South Carolina

My Commission Expires May 23, 2016

**PLEASE TAKE NOTICE** that a hearing on the above matter has been scheduled to begin on **Tuesday, July 29, 2014, at 10:00 a.m.**, before the Commission in the Commission's Hearing Room at 101 Executive Center Drive, Saluda Building, Columbia, South Carolina 29210, for the purpose of receiving testimony and evidence from all interested parties. The hearing may continue through July 30, 2014, if necessary.

Any person who wishes to participate in this matter as a party of record should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before **May 1, 2014**. For the receipt of future Commission correspondence, please include an email address in the Petition to Intervene. **Please refer to Docket No. 2013-378-E and mail a copy to all other parties in this docket.** Any person who wishes to testify and present evidence at the hearing should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **May 1, 2014**. **Please refer to Docket No. 2013-378-E.**

Any person who wishes to request that the Commission hold a public hearing in his or her county of residence in order to hear comments from the utility's customers, should notify, in writing, the Commission; the Office of Regulatory Staff at 1401 Main Street, Suite 900, Columbia, South Carolina 29201; and the company at the above address, on or before **May 1, 2014**. **Please refer to Docket No. 2013-378-E.**

For the most recent information regarding this docket, please refer to [www.psc.sc.gov](http://www.psc.sc.gov) and **Docket No. 2013-378-E.**

**PLEASE TAKE NOTICE** that any person who wishes to have his or her comments considered as part of the official record of this proceeding **MUST** present such comments in person to the Commission during the hearing.

Persons seeking information about the Commission's procedures should contact the Commission at (803) 896-5100 or visit its website at [www.psc.sc.gov](http://www.psc.sc.gov).  
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